

LMI ADVISORY GROUP MEETING
Thursday, July 26, 2007
Meeting Minutes

Advisory Group Attendees:

Alissa Anderson-Garcia	CA Budget Project
Dan Blake	CSU, Northridge
Jacqueline Debets	Humboldt County Workforce Investment Board
Patricia de Cos	California Research Bureau
Richard Della Valle	California Community Collage E&WD
Charles Kilbourne	EDD Legislative Office
Frances Laskey	CEAC – Berkeley Policy Associates
Danny Lee	EDD Marketing and Constituent Services
Janet Maglinte	LWDA/Economic Strategy Panel
Theresa Milan	Los Rios CCD
Cliff Moss	CDE/Adult Education Office
Beverly Odom	California Workforce Investment Board
Paul Ong	UCLA
Samantha Ponce	California Research Bureau
Dennis Reid	DOL/BLS
Cedar Reuben	Humboldt County Workforce Investment Board
Stacy Wilson	California Postsecondary Education Commission
Chuck Wiseley	California Community College Chancellor's Office

LMID Staff:

Larry Clark
Bonnie Graybill
Vivian Gerlach
Marla Harper
Joel Hessing
Sajid Hussain
John Milat
Dennis Mullins
Janet Peters
Steve Saxton
Scott Slotterbeck
Sharon Sober
Fran Styron
Spencer Wong

Welcome

Steve Saxton welcomed the group.

Review of April 26, 2007 Minutes

Bonnie Graybill asked if there were any comments or edits to the minutes from the previous meeting. There were none.

Self-Employment in Los Angeles-Study using of Longitudinal Employer-Household Dynamics (LEHD) and Census Data

Paul Ong from the University of California, Los Angeles (UCLA) discussed a study on Self-Employment in Los Angeles County. The Census Bureau funded the UCLA pilot to determine the usefulness of user-defined demographics using the American Community Survey (ACS) and Longitudinal Employer-Household Dynamics (LEHD). These new data sources are changing the analytical possibilities for understanding the economy and the workforce. There are three reports

on Social, Economic, Spatial, and Commuting Patterns of Self Employed, Informal, and Dual Jobholders available at http://lehd.did.census.gov/led/library/techpapers_2007.html.

Since a large number of jobholders identify themselves as self-employed, an effort was made to gain additional information about wage earnings of these individuals using administrative wage records. Although socioeconomic and spatial information is available from the 2000 Decennial Census Long Form, firm-based data from the Unemployment Insurance (UI) administrative wage records were linked with the Census Bureau's household-based data to identify other characteristics of self-employed job holders. According to the findings, self-employment in Los Angeles County was 14%.

Paul stated that this project started two years ago with a former student, Matthew Graham. The data are highly sensitive and confidential. A big limitation of LEHD is that it is unknown how the information about people is related, such as, age, gender, race/ethnicity (imputed), where they live, and demographic characteristics.

Paul shared a little background on the Long Form and compared it with the ACS. The Long Form is conducted in one out of six households every ten years, and its purpose is to fulfill the constitutional mandate. Because of a need for more current information, the ACS, an ongoing survey of the population, will replace the Long Form. The full ACS was conducted in 2005 with data available in October 2006. It covers 2.5% of the population or about 3 million addresses. The ACS publishes social, housing, and economic characteristics for demographic groups. The ACS gives annual estimates for geographic areas with populations of 65,000 or more.

When merging Long Form data with LEHD and looking at how well self-reported and administrative data match up, Paul stated that age was close, gender was good, but ethnicity had some problems. Self-employment was missed altogether. Different data systems can complement each other.

Individuals who hold multiple jobs have complex working lives and commuting patterns. The survey questions on the Long Form were not designed to collect details on multiple jobs. This study takes advantage of firm-based data from the UI administrative wage records, linked with the Census Bureau's household-based data, to examine multiple jobholders – and specifically a group of dual jobholders. The study examines the dual jobholders by their demographic characteristics as well as their economic, commuting, and spatial location outcomes. The findings indicate that 2-4% of the working population holds two or more jobs. The base wage file gives us the number of jobs, but not the number of workers. When merging the two data systems, there were some differences in demographic characteristics that were found.

A significant number of employees are “informal” workers. These workers do not appear in administrative wage records, and are distinct from the larger group of private jobholders who do. It is not possible to identify the informal workers from the Long Form datasets by only using such data because of the lack of accurate, formal wage records. This study takes advantage of firm-based data that originates in UI administrative wage records linked with the Census Bureau's household-based data in order to examine informal jobholders by their demographic characteristics as well as their economic, commuting, and spatial location outcomes.

Paul noted that data about self-employed workers in corporations are mixed. Some self employed individuals (incorporated) pay and report themselves as employees. Dan Blake indicated that the Census Bureau differentiates between unincorporated self-employed and incorporated self-employed. (Some self-employed individuals incorporate to protect themselves from personal liability for debt or law suit.)

Paul discussed the next steps of this project. There is no funding, but ideally, he would like to take more advantage of the longitudinal data as well as tie in more recent data.

Broader Discussion of Use of LEHD, Quarterly Workforce Indicators, Related Data

Dan Blake added that the 2005 data were extremely insightful and interesting to see the changes in the characteristics. He said that it has the potential to be extremely useful and helpful for such things as guiding health policies.

Dan stated that there are four areas, social, general, economic, and housing, that they looked at in Los Angeles.

There were questions from the group about the protection of the data, funding, automation, and employee work location classifications, among others.

Technical information for LEHD is available at: <http://lehd.did.census.gov/led/>.

Contact Spencer Wong (916-262-2341) with any questions related to California's participation in the LEHD project.

Discussion/demonstration of New Occupational Product

Bonnie Graybill gave the presentation on the new On-Line California Occupational Guides, now with local information. The product is currently under development. This product is a continuation of the 50-year-old Occupational Guide series, now being developed in an application offering dynamic update of data and local as well as state-level information. It was designed with the help of focus groups consisting of students, and career seekers, guidance counselors, One Stop Career Center staff, vocational teachers and others.

Unfortunately, project completion has been delayed as the chief programmer has left state government for a better paying job in private industry. Two of the division's programmers have been assigned to complete the work, but there will be some delay.

LMID now has a number of good products on-line, in PDF format. It has been a challenge to keep these products updated. The new product will allow dynamic update of data.

Goals of the new on-line Guides product:

- Eliminate duplication
- Focus our use of resources
- Continue to offer analysis
- Allow for dynamic updating of data on on-going basis

We will have 50 occupations on-line at the start, and eventually have guides for all occupations.

The new product will offer both summary and detailed report formats. We know some of our customers only have internet access on public computers in libraries or One-Stop centers. Some will want to do a high level career search, looking at a number of occupations, and others may know what occupation they are interested in pursuing, and may want more detailed information. Some may want to print the short or detailed report or e-mail it to themselves for printing at home.

Our target customers include individuals doing career searches, including students; intermediaries such as career and guidance counselors, teachers, and One Stop Career Center staff; and access points, such as libraries, One-Stop centers, schools, and community based organizations.

Customer Input:

This has been vital for the production of the guides, as well as other LMID products. We have had four focus groups so far. Attendees include younger and older teenagers, adults, front-line staff, career counselors, One-Stop staff, Regional Occupational Program and Adult Education counselors and teachers.

We anticipate beta testing this fall, and continuing to add content. Within the next year, we plan to add up to 150 more guides. Eventually, all of the guides will be online in this application. Once we are confident that the system works, we will begin marketing efforts.

Stacy Wilson: How did you pick participants for the focus groups? You need to have a wide variety of backgrounds represented.

Bonnie: We did have a variety of participants. For example, we had students and counselors from Luther Burbank high school, which has a diverse student population.

We are trying to wrap up the development. Unfortunately the loss of our programmer has been a challenge. We are working on completing both the front and back end development. We will be doing usability testing and fine tuning as soon as the product is completed.

Bonnie demonstrated the features and showed prototypes of the welcome and selection screens, summary and detailed reports

One can select occupations by keyword or by other topical menus including interests; outlook; high wages; or industry—these topical menus are yet to be developed.

In addition, the application will offer a link to generic job search tips.

Patricia: How did you choose the 50 occupations?

Bonnie: We chose from the largest growth occupations list.

Fran Styron: Additional considerations included occupations that offer wages of \$12.00/hour or more, technical and/or professional jobs, a variety of industries.

Bonnie: A variety of training levels are represented as well.

Until all occupations have been incorporated into the new application, a customer interested in an occupation which is not incorporated will get a referral matrix and links to other LMID career products that cover that occupation. Ultimate goal, we would have this as the one source for all LMID occupational information.

Clusters of opportunity for local economic development the Northwest region of California

Cedar Reuben, Humboldt County Workforce Investment Board (WIB) Chair; Jacqueline Debets, Humboldt WIB Executive Director and Economic Development Coordinator; introduced by Joel Hessing

Humboldt County joined together with neighboring counties to develop a regional economic development plan. They call their area the "Redwood Coast Region." The region had been dragged down by "myths", including, "there are no jobs here", "can't find anything there but dead trees and dead fish"; and "no one will invest in this area".

In contrast, they found that in fact, employers are having a hard time finding qualified job applicants, niche manufacturers and specialty industries are doing well in the region. Exports may be a key area in the economy of this region which lies along the Pacific coast.

What is driving the growth in the region? They found that there is a high level of entrepreneurship in the region. They also found that the export market is important to the region.

A look at the industry data shows large industries such as timber and fisheries are slow growing or in decline. Tourism and niche manufacturing, in contrast, are growing in the Region. Wineries

and viticulture (specialty agriculture) is also a growing industry and ripe for export and distribution throughout the country. Flower growing is also an important line of business in the region.

Healthcare is also an interesting employer in the Region. Some specialists are moving into the area for quality of life and offering highly specialized care for certain health-related problems (for example, recovery and cancer care). Building systems, construction and management are also diverse and growing. Investment support and management services are also identified as growing but diversified industries.

These are all fast growing and pay above-average wages. Some of these companies are 'grouped' in new ways and some are industries we haven't been 'paying attention to.'

One of the things we are doing is to create the 'mother of all spreadsheets' and adding in lots of data that will allow us to look at things in new ways. We also are forming focus groups of employers that will help us understand the new economy and foster growth.

We want to look at where areas overlap, such as workforce development overlapping targets of opportunities and economic development.

Labor Market Information (and the labor market consultants) gives us the data that we need to help us towards those goals. It's important to use LMID data in the best way possible, and the consultants can help us do that. One of the advantages to defining an economic region that is larger than Humboldt County alone is that we are able to get more and richer data, and get around some of the confidentiality concerns that might apply in a small area.

Most of the firms Humboldt studied grow their workers—they start employees at a low level and develop and promote them from within. This is an important fact to inform younger residents; they can start at local firms and grow with the company.

The Redwood Coast Region has decided to find the strengths in the area and encourage them. Focus on growth potential. Export and population growth in the area are natural forces at play here, as well as the strong independent streak and entrepreneurial bent of locals.

One trend they have identified in a local employer is that farming out the low paying occupations to other countries allows them to keep the higher skilled and higher paid work in the region.

This emphasis on looking at the region in a new way, and focusing on the unique strengths of the area, has brought employers to the WIB.

The region has an educational infrastructure to support the development--they have a state college and a community college.

Stacy Wilson: What does "growing your own" mean for educated folks who may come back to the area after working elsewhere? They may see the north coast as a really cool place to live. What are the strengths?

Jacqueline Debets: We have the educational infrastructure and an airport. We have a growing art community and many artists are attracted to the rural nature of the area and the natural beauty of the place. It is a desirable place for the talented and creative class, which is enhancing our economic base.

Chuck Wiseley: What is the interface between the community colleges and the WIB?

Jacqueline Debets: We have good involvement with the business community and the educational system including the community college and the state college. We have people who go to Humboldt state and decide to stay in the area.

All of this leads to “Big Thinking!” And we are seeing results right away. We had some ‘CEO-types’ step forward to join the WIB after our report was released. We are trying to build cooperation and forge regional collaboration. We have identified ‘targets of opportunities’ in the region. We want people to tell their own stories, both employers and employees!

Wrap Up

What went well today?

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Presentations were very good	Scheduling Conflicts
Participation was very good	No briefing on the economy
Enough time for discussions	Ran out of cookies
Good discussions	

Next agenda: October 25, 2007

LMID Budget update
 Crosswalk from training to LMI (CPEC and COCCC versions)—Stacy Wilson and Chuck Wiseley
 Legislative update
 Economic update
 California Budget Project Study of Work--Alissa Anderson-Garcia
 Occupational Product update